

Contact: Logan Harrison
Indiana Department of Insurance
Phone 317-234-7734
Fax 317-232-5251
lharrison@idoi.IN.gov

311 W. Washington St., #103
Indianapolis, IN 46204

Indiana Department of Insurance

**INDIANAPOLIS, IN—May 16, 2012
FOR IMMEDIATE RELEASE**

INSURANCE DEPARTMENT RECOUPS PREMIUM INCREASES FOR NEARLY 600 SMALL BUSINESSES AND THEIR EMPLOYEES

Indiana Insurance Commissioner, Stephen W. Robertson, announced that his department reached an agreement with Assurant Health's subsidiaries—Time Insurance Company, Union Security Insurance and John Alden Life Insurance Company—to refund collected premium dollars to Indiana small group health insurance policyholders and immediately reduce rates charged to small businesses. After an internal investigation revealed Assurant's companies were charging small businesses rate increases since October 2010 that had not been approved by the Department, the Department contacted Assurant to correct the situation. Commissioner Robertson said, "Small businesses everywhere already struggle to provide health insurance to their employees because of the cost. I am pleased we were able to negotiate a settlement that makes employers whole."

Assurant will refund premiums to approximately 600 individual small businesses within 90 days of the execution of the agreement. "It was our goal to get relief to these small businesses as soon as possible, but we want to make sure that they are getting the proper amount back and give the insurance carrier time to refund these policyholders in an orderly fashion. We are glad that when we presented our analysis to Assurant, they did the right thing. Although 90 days is a bit of a wait, relief is on the way," Robertson said. The refunds will total \$2.75 million.

Subsequent to Assurant's 2007 form filing the Indiana Department of Insurance exercised the authority given to it by the State Legislature to review health insurance rates. In reviewing rates, the Department considers the rate justification provided by the company and determines independently if the company's filing is sound and justified. Robertson said, "The rate review process serves to independently analyze the health insurance companies' actuarial assumptions and health trends to see if they are justified before we will approve them for use in the market."

Because Assurant's policy forms had been on file since 2007, Assurant believed that its renewal rates were not subject to review by the Department. After being contacted by the Department about its concerns, Assurant worked out this agreement which ensures employers will promptly receive refunds.

The Department of Insurance encourages consumers and business owners to visit its Rate Watch website at <http://www.in.gov/idoi/ratewatch/> to monitor rate filings their carrier has filed with our department in an effort to become more engaged with the process, submit comments, budget and generally plan for their health costs. If you have questions or issues with your insurance company, please contact the department's consumer services at 1-800-622-4461 or 317-232-2395, or visit <http://www.in.gov/idoi/2552.htm>.

###